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# Intelligence Memorandum

*The New Coalition in Laos:  
Reconciliation or Capitulation?*

OSD, DIA and DOS review(s) completed.

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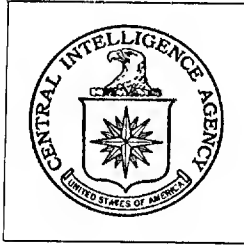
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## THE NEW COALITION IN LAOS: RECONCILIATION OR CAPITULATION?

### Summary

In the short time that has elapsed since the new coalition government was formed in Laos on April 5, the Lao Communists' civilian and military representatives in the twin capitals of Vientiane and Luang Prabang have moved quickly and effectively to seize and hold the political initiative. They have scuttled the National Assembly, have made their influence felt in the cabinet and other key government agencies, and have produced a comprehensive national program that is aimed ultimately at giving them political control over the non-Communist zone in Laos and at increasing the country's political and economic ties with their major foreign Communist supporters. The Communists' fast start has been facilitated by Prime Minister Souvanna's reluctance to continue to serve as the leader of the non-Communist side, which thus far has shown no signs of being able to form a united front.

The Communists' track record to date also indicates that they will do little if anything to implement certain key provisions of the 1973 Lao accords. This is particularly true of those aspects—such as the withdrawal of foreign Communist forces, the accounting for personnel missing in action, and the release of prisoners of war—that are of immediate concern to the US. In time, it is possible that the Communists may assume a more responsible and even-handed approach toward the US. But for now, suspicion and a strong sense of antagonism nurtured by years of political isolation in Sam Neua will continue to mark their attitude toward Washington.



Souphanouvong (l) embraces Souvanna (r)  
upon April 1974 return to Vientiane:  
Kiss of Death?

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The aggressive political action of the Communists will complicate the effort to achieve national reconciliation. Moreover, the coalition's cumbersome structure and the requirement for unanimity between the two sides on all major policy issues raises the question of how, or even whether, the new government will be able to function effectively.

Nevertheless, the prospects for lasting compromise in Laos still seem somewhat better than elsewhere in Indochina. The two sides have managed to arrive at a remarkably durable cease-fire, and this time around Vientiane and Luang Prabang have been "neutralized" to provide a more stable and secure environment for the new government to take root. Most importantly, the coalition—and especially Souvanna—has the support of the great powers and of Hanoi in working to survive. The government's chances, however, would be seriously jeopardized if Souvanna were to be removed suddenly from the political scene.

## Introduction

The Laotian peace agreement of February 1973 and the implementing protocol that followed in September marked the first comprehensive political and military settlement to emerge from the Indochina war. They led to the formation of the third Laotian coalition government in nearly 17 years. Remarkably little has changed in Laos during these years. The abortive coalitions of 1957-58 and 1962-63 and the intervening years of bloody warfare have left an inevitable residue of bitterness, hostility, and suspicion. But the major personalities are the same, and so is the fundamental problem: how is power to be divided in a satisfactory and effective way between mutually antagonistic elements?

For Prime Minister Souvanna, who has long had his eye on how history will record his stewardship of the kingdom, the new coalition is the first concrete step toward national reconciliation. For the Lao Communists, it means the acquisition of a significantly greater share of the political spoils than they had enjoyed in the earlier coalitions. Although the mantle of leadership once again falls to Souvanna, power is shared equally for the first time by Communists and non-Communists within a cabinet of 24 members resident in Vientiane and an advisory political council of 42 members based in Luang Prabang.

Aside from simple parity, the Pathet Lao have entered this latest period of peaceful competition with some other distinct advantages. While continuing to administer their own zone without interference, they are now in a position to share equally in governing the rest of the country as well. Perhaps most significantly, the US military withdrawal from Indochina has bolstered the Communists' confidence that they can seize and keep the initiative in Vientiane. Moreover, the rightist leaders whose intriguing contributed substantially to the collapse of the two previous coalitions now appear to have much less room for political maneuver.

Although top Communist officials have been careful to project a friendly and cooperative image, they have been forceful—and thus far successful—in advancing their objectives within the new government. They have already managed to block the reconvening of the old National Assembly, whose authority and legitimacy they refuse to recognize. In addition, they have presented to Souvanna and the cabinet a comprehensive political program outlining their main foreign policy and domestic priorities. The Communists have also largely dominated the meetings of the cabinet and the Joint Central Commission to Implement the Agreement. And, finally, they have begun moving to gain control of the nation's information media by proposing a system of press censorship.

The Pathet Lao also have the edge in terms of the discipline and sense of purpose of their second-echelon cadre. The dedication and operating style of these lower level officials is already having an impact on virtually all government functions at the national level. Communist cadre have also begun to seek greater support in intellectual, student, and religious circles in Vientiane and other cities. Lao students, who recently began for the first time to agitate against the old Lao political order, may prove especially vulnerable to Pathet Lao proselytizing.

If the past is any guide, the Communists also will soon be trying to extend their influence throughout the country with an eye toward building popular support for eventual national elections. With the non-Communists rendered essentially leaderless and disorganized by Souvanna's accession to the "neutral prime minister's position" prescribed by the accords, their prospects do not look good in the impending political struggle, either at the national level or in the countryside.

Meanwhile, a host of difficult political problems face the new coalition. The most important—and most immediate—is the relationship and division of authority between the cabinet and the advisory political council, which "must cooperate in the administration of the country." In addition, the implementing protocol requires unanimity between the two sides on all major policy issues. This seems likely to increase the already considerable potential for competition, friction, and deadlock within the government.

In his position "above both sides," it is up to Prime Minister Souvanna, either independently or in consultation with his half-brother Prince Souphanouvong, the Lao Communist chairman of the advisory council, to break the deadlocks that will inevitably occur as the result of bloc voting in both the cabinet and the council. In this pivotal role, Souvanna's sympathies will almost certainly remain with those who desire a non-Communist, genuinely neutral, and independent Laos. But to maintain his neutralist credentials and to reintegrate the Communists into the national political spectrum, he at times has felt it necessary to act in ways prejudicial to rightist, and perhaps even Western, interests.

The Communists' successful attack on the National Assembly has already provided a dramatic case in point. Souvanna's quick capitulation on this first major issue before the new cabinet deepened the sense of gloom within various non-Communist circles and tended to confirm the rightists' long-standing doubts about Souvanna's willingness or ability to protect their interests.

Since the assembly's demise, the non-Communists' efforts to form a united political front have foundered because they have not been able to

settle on a leader. Leuam Insisiengmay, the non-Communist deputy prime minister and nominal leader of the southern rightists, has declined to accept a leadership role. Finance Minister Ngon Sananikone, one of the more capable candidates, appears to be demoralized by Communist propaganda attacks against him. Any effort by Ngon to organize and lead the non-Communists would be viewed by the Pathet Lao as a move by the powerful and much-distrusted Sananikone clan to undermine the coalition.

Another possibility is neutralist Interior Minister Pheng Phongsavan, who is one of Souvanna's favorites. Pheng, however, has shown little inclination to align himself with Vientiane's conservatives and is not a strong leader. He reportedly has designs on the prime ministership and prefers to remain a man in the middle. Finally, there is Sisouk na Champassak, who has been performing relatively well thus far as defense minister. He seems to have the qualified support of the Lao army, which increases his chances for becoming a galvanizer of non-Communist political action. Sisouk has come under increasingly heavy Communist fire, however, and his continued willingness to do battle in the coalition arena without substantial additional support is open to question.

Despite the Communists' aggressive beginnings and the disarray on the non-Communist side, the prospects for compromise in Laos still seem better than elsewhere in Indochina. Although they controlled two thirds of the country, the Pathet Lao never declared themselves a rival government, never renounced their allegiance to the King, and never repudiated the Buddhist religion. Furthermore, there are strong family ties between the two sides at all levels, starting with Souvanna and Souphanouvong. All through the war, in fact, the Lao Communists maintained a permanent representative in Vientiane. The two sides have also achieved a remarkably effective cease-fire and, this time around, the twin capitals of Vientiane and Luang Prabang have been "neutralized" to provide a more stable and secure environment for the new government.

There is little reason to believe that the coalition will collapse so long as Souvanna remains prime minister. He commands the strong support of Washington, Moscow, Peking, and—to a lesser extent—Hanoi, and he has indicated that he is prepared to continue in office until general elections are held. On the other hand, the coalition would be in grave jeopardy if he were to depart prematurely—because of death, illness, or voluntary withdrawal.

Communist leader Souphanouvong, a full ten years younger than the 72-year-old Souvanna, is the logical heir apparent. A great deal of further conditioning to the new political realities in Laos will be necessary, however, before the non-Communists would willingly or gracefully acquiesce in his—or

# THE COALITION'S BIG THREE



Souvanna Phouma  
Prime Minister



Prince Souphanouvong  
Chairman/Joint National Political Council



Phoumi Vongvichit  
Deputy Prime Minister/Foreign Minister

any other Communist leader's—succession. Great-power interest in maintaining stability in Laos might permit a compromise candidate to continue as prime minister, but no Lao now on the scene appears readily acceptable to all.

### **The New Political Machinery**

For both sides, the new coalition government testifies to the remarkable staying power of the Lao ruling elite. Souvanna's retention of the prime ministership was expected. Souphanouvong's assumption of the chairmanship of the advisory political council, however, was a surprise move by the Communists in the closing stages of the negotiations. The Communists had bargained hard throughout the protocol negotiations last summer to obtain for Souphanouvong one of the two deputy prime ministerships, and it was widely anticipated that he would fill that slot. Instead, the position was filled by Phoumi Vongvichit, Souphanouvong's plenipotentiary representative at the negotiations and secretary general of the Lao Communist Party; he also serves as foreign minister of the new coalition government.

The shift was motivated by Souphanouvong's aversion to being directly subordinate to Souvanna and by the Communists' desire to use the council, whose leadership was already weighted in their favor by the protocol, to expand their power on the national political scene. The absence of significant Pathet Lao political figures—except for Phoumi Vongvichit—in the cabinet testified further to the significance that the Communists attach to the council.

Other than Phoumi, the Pathet Lao have filled only two of the ten positions allotted to them in the 24-man cabinet with members of the party's Central Committee. By contrast, the council—with 16 representatives from each side and 10 acceptable to both sides—has five Central Committee members. In addition, the council's Communist contingent includes five other senior party members and Khamsouk Keola, the chairman of the Patriotic Neutralist Alliance—a major Communist front.

Although Prime Minister Souvanna bowed to the Communists' demands on the National Assembly issue, he has used delaying tactics to inhibit the council's attempts to assume the assembly's functions—which is the Communists' ultimate goal. Souvanna has prevailed on the King to take over the assembly's role. The King will review the budget, foreign treaties, and other important documents and then issue royal decrees from which the government will draw its authority.

Despite this temporary setback, the Communists can be expected to continue their efforts to have the council take on the assembly's duties.

They also clearly hope to use the council to compete with the cabinet. The council's specific powers vis-a-vis the cabinet are ill-defined but, generally, it is to advise the cabinet on domestic and foreign affairs and to determine the procedures for general elections.

The September protocol stipulates that elections for a new assembly and a "permanent" government of national union be held "as soon as possible" after the formation of the provisional coalition government. Since at most only one million of the country's three million people live in the two thirds of Laos controlled by the Pathet Lao, the Communists are in no hurry to proceed with general elections. They will need to work hard to strengthen their political organization and proselytizing effort outside the "liberated zone." Meanwhile, the political leverage they wield in the council will permit them to proceed at a careful and measured pace.

If the Pathet Lao have the upper hand in the advisory council, the non-Communists appear to have a significant edge—in terms of experience—in the cabinet. Only two members of Souvanna's former cabinet were dropped, and only two new faces added; the rest were slightly reshuffled. Rightist Leuam Insiengmay retained his deputy prime ministership and the education portfolio; Sisouk na Champassak, Pheng Phongsavan, and Ngon Sananikone head the ministries of defense, interior, and finance, respectively; and Khamphai Abhay kept his public health portfolio.

The Pathet Lao control, in addition to foreign affairs, the ministries of economy, information, public works, and religion. Neutralists approved by both sides head the two remaining ministries—justice and posts and telecommunications. Each of the ten ministers has a deputy from the opposing side.

Thus, of the four key ministries of defense, interior, finance, and foreign affairs, three are headed by veteran non-Communist politicians with lackluster Communist deputies, while the fourth pairs a senior Pathet Lao leader—Phoumi—with a capable deputy close to Souvanna. Apart from Phoumi and General Singkapo, the new public works minister, the Pathet Lao's cabinet team is second-rate. Four of the ten ministers or deputies are "dissident neutralists" with no political influence. Of the other six, Information Minister Souk Vongsak and Economy Minister Soth Phetrasy are party hacks without any known competence in their new fields.

There has been speculation, but no hard evidence, that the selection of Phoumi as deputy prime minister and foreign minister indicates that he wields greater power than Souphanouvong in the Lao Communist hierarchy and that he will emerge as the top Pathet Lao signal-caller in the coalition. Souphanouvong is known to be outranked by Central Committee chairman

Kaysone Phomvihane and by his deputy, Nouhak Phoumsavan, who remain at Pathet Lao headquarters in Sam Neua. Otherwise, little is known about the pecking order, but several other party members may well also outrank Souphanouvong. Some regard Phoumi as the third-ranking Lao Communist, but others pick Phoune Sipraseuth, chief political negotiator for the Pathet Lao throughout the coalition discussions. Phoune's absence from the new government is a surprise, and suggests that his presence may be more highly valued in Sam Neua—where Lao Communist policy is formulated—than in Vientiane or Luang Prabang, at least for the time being.

In any event, there is no indication that Phoumi has received the same type of informal assurances that Souphanouvong got from Souvanna, which would have assured Phoumi of being "first" of the two "co-equal" deputy prime ministers and have placed him in authority when the prime minister is out of the country. This raises the question of who will become acting prime minister if Souvanna pursues his plan—announced before the coalition's formation—to combine a long vacation in France with state visits to Moscow, Peking, Hanoi, and Saigon.

#### Keeping the Peace

The Joint Central Commission to Implement the Agreement (JCCIA) is composed of 14 representatives—7 from each side—including co-equal chairmen and deputy chairmen. Like the coalition cabinet and advisory council, it operates on the principle of unanimity. It is an important part of the new government, and it is required to coordinate its activities closely with the cabinet and the council.

Since it began functioning in late November 1973, the JCCIA's primary concern has been developing procedures for neutralizing Vientiane and Luang Prabang. With that difficult task nearly complete, the JCCIA has belatedly begun to address itself to enforcing the provisions of the Lao accords dealing with maintenance of the cease-fire, foreign troop withdrawal, prisoner exchange, dissolution of "special forces" bases, and refugee resettlement. Any progress on these problems probably will be painfully slow, however.

The JCCIA is supposed to be assisted in its endeavors by the International Control Commission (ICC), a tripartite body of Canadian, Polish, and Indian officials originally set up to supervise the 1954 and 1962 Geneva agreements on Laos. It is apparent, however, that neither Lao party expects or wants the ICC to play a significant role in supervising the implementation of the 1973 accords. The accords themselves give short shrift to the ICC, and the JCCIA's request of March 20 calling for the reactivation of the ICC

clearly circumscribes its duties to those unanimously requested by the two Lao sides. Moreover, the request does not allude to any ICC role in searching for the missing in action or in repatriating prisoners of war. The ICC's role has been diminished further by the Canadians' recent withdrawal from the organization.

Either party in the JCCIA can request an investigation of cease-fire violations and, providing there is unanimity, the JCCIA is empowered to send joint mobile teams to military "hot spots." Although there have been no investigations thus far, the cabinet is on record as desiring that significant violations be checked out by the mobile teams.

If the pattern of military activity that has prevailed over the past year or so persists, the JCCIA will have little battlefield policing to do. The most dramatic consequence of the February 1973 peace agreement has been the remarkably effective cease-fire that was quickly and firmly implemented throughout the country. With few exceptions, there has been no major fighting in Laos over the past 15 months. The positions of opposing forces have remained stable, and commanders in many areas have reached local accommodations. Occasional incidents still occur, such as the recent flare-up in fighting in central Laos, but these have been local in scope and origin.

#### *The Neutralization of Vientiane and Luang Prabang*

The Lao Communists, recalling the harassment of their ministers in past coalitions, insisted throughout the negotiations that they would not agree to the formation of a new government until both Vientiane and Luang Prabang were neutralized to their satisfaction. In the end, they got most of what they wanted, although the non-Communist side has still not withdrawn all of its combat aircraft and ground forces from either capital.

Under the terms of the protocol, both sides are jointly and equally responsible for the administration and security of the neutralized cities. Each side is permitted to station 1,000 police and one battalion of infantry (1,200 troops) in Vientiane, and 500 police and two companies of infantry (600 troops) in Luang Prabang. These forces, commonly known as the "Joint Police Forces (JPF)" and the "Joint Protective Military Forces (JPMF)," operate under the auspices of the JCCIA. All other ground and air forces are required to withdraw beyond a 15-kilometer neutralized buffer zone around each city.

The JPF is responsible for security within the city limits of Vientiane and Luang Prabang. The police forces of each side are under separate command, but the cities are not physically divided into Communist and non-Communist zones. The JPF's primary function is to provide protection

[redacted]

for members of the coalition cabinet and advisory council, but it is also charged with executing all of the duties of the former government's municipal police in both capitals.

The JPMF is responsible for the 15-kilometer buffer zone surrounding the two cities. This zone is divided equally into Communist and non-Communist controlled sectors. The joint commanders of the JPMF have been charged with making detailed military contingency plans so that their forces can meet any type of anticipated threat to either city. In the event the JPF is confronted with an emergency security situation that it cannot handle, it may request assistance from the JPMF. Were the JPMF to respond, the two cities would automatically be divided into Communist and non-Communist sectors. In Vientiane, this would put the US embassy, the USAID compound, and Wattay Airport in the Communist zone.

The introduction of a large number of Pathet Lao troops into Vientiane and Luang Prabang has resulted in an uneasy balance of forces in the twin capitals. The presence in these cities of such large numbers of Communist military personnel is unprecedented and has had a sobering effect on Lao army leaders. If serious trouble between the two sides were to develop, the Lao army—because of its greater reinforcement capability—would enjoy a tactical edge in and around Vientiane. The situation in Luang Prabang—where Pathet Lao forces are strategically positioned along approach routes to the royal capital and control the high ground within the city—would be more advantageous to the Communists. Moreover, the Lao army contingent there, unlike its counterpart in Vientiane, has not yet been organized into a cohesive military force.

#### *Foreign Troop Withdrawal*

Under the terms of the protocol, all foreign troops and military personnel were to have been withdrawn from Laos no later than 60 days after formation of the coalition government—June 4. [redacted]

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France is the only country permitted—under the Geneva accords of 1954 and 1962 and the Lao accords of 1973—to maintain a military training mission in Laos. The only other exception applies to foreign military personnel accredited to diplomatic missions in Vientiane.

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### **The Return of Prisoners of War**

The return of all war prisoners, "regardless of nationality," was also supposed to be accomplished by June 4. No prisoners have yet been exchanged, however. Neither side has admitted holding Lao prisoners from the other side—all Lao have allegedly "rallied." The Pathet Lao admit to holding only one American, civilian contract pilot Emmet Kay, who was captured on May 7, 1973. Official US military records, however, indicate that four other Americans were taken by the Lao Communists in the years prior to the cease-fire agreement.

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[REDACTED]  
[REDACTED] The non-Communist side holds an estimated 135 North Vietnamese.

The Communists' recent announcement that Emmet Kay would not be released because of alleged US violations of the Lao peace agreement and protocol clearly indicates that they intend to use Kay and any other allied personnel they may still hold as bargaining chips to exert pressure on Washington [REDACTED]

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The protocol also required each side to give to the other—within 15 to 30 days of its signing on September 14, 1973—a list of names of those who died in captivity. This has not yet been done, however. The Lao accords are less specific in dealing with the problem of personnel missing in action. The protocol merely provides that after the return of POWs, each side must report as quickly as possible to the JCCIA any information it is able to obtain about MIAs. Some 314 American personnel are listed as MIA in Laos.

#### **The Lao Communists and Their Allies**

Prime Minister Souvanna will attempt to follow a neutral policy in foreign affairs but may find this difficult with a powerful Communist like Phoumi Vongvichit in charge of the Foreign Ministry. Phoumi and his colleagues will naturally gravitate toward their major Communist allies—the North Vietnamese, the Chinese, and the Soviets—all of whom have already taken further steps over the past year to ingratiate themselves with both Lao sides. Peking and Moscow strongly supported an end to the Lao fighting and a negotiated coalition government, working behind the scenes to help compose differences.

To underscore their support for a coalition government, the North Vietnamese sent a high-level delegation headed by First Secretary Le Duan to Sam Neua late last year. The Chinese followed suit less than a month later, although they sent a lower ranking delegation. The Soviet ambassador journeyed to Sam Neua early this year, the first official Soviet visit there in five years. After an effective absence of nearly ten years, Hanoi recently returned its ambassador to Vientiane, where he serves as dean of the diplomatic corps. The Chinese are on the verge of bringing their representation in the Lao capital up to the ambassadorial level.

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From all indications, none of these Communist countries is likely to do anything, at least over the near term, to upset the fragile new political and military balance in Laos. All are reasonably satisfied with the effectiveness of the cease-fire and with the coalition arrangements, which appear to be compatible with their own policy objectives towards Laos in particular and Indochina in general.

The global interests of both Moscow and Peking in preserving detente with Washington will moderate and restrain their regionally oriented policies toward the new coalition. Hanoi remains the greatest potential troublemaker, but the North Vietnamese are not likely to jeopardize the significant gains they have derived from the Lao settlement: an unchallenged buffer zone along their western border; unimpeded use of the eastern Lao panhandle for logistic activity; and a sharply reduced US military commitment.

### **Economic Aspects**

In addition to pushing for stronger political ties with Communist countries, the Pathet Lao obviously hope to obtain increased economic assistance—particularly from Moscow and Peking. But at the same time, they have indicated their willingness that the coalition government receive US aid—provided it is offered “unconditionally” and equally to both sides. Indeed, Souphanouvong has already indicated that the Lao Communists believe that the US has a special economic responsibility for “healing the wounds of war.” Other Pathet Lao officials have stated publicly that the Communists would be willing to accept direct multilateral aid if it benefited the population of both the Communist and the non-Communist zones. They have also agreed to the continuation of the US-supported Foreign Exchange Operations Fund until Lao currency can stand on its own.

### **Zeroing in on the US and Thailand**

While the Lao Communists are attracted to US economic aid, they are still highly suspicious of US and Thai motives and activities in Laos. Pathet Lao propaganda broadcasts and press statements—the tone and content of which are dictated by Sam Neua and heavily influenced by Hanoi—are still larded with anti-US—and anti-Thai—sentiments. Senior Lao Communist officials in Vientiane and Luang Prabang have dutifully parroted these sentiments.

Prince Souphanouvong, for example, had some sharp words for Washington and Bangkok when he outlined the Communists’ comprehensive national political program before the advisory council in Luang Prabang on

May 10. After indicating that the Communists will push hard to amend the Lao constitution and the country's electoral laws to put themselves in a more commanding political position, and after stressing the need for greater economic, social, and cultural self-sufficiency, Souphanouvong turned to foreign affairs. Once he paid lip service to the importance of strict neutrality, he called for an end to US and Thai "interference, aggression, and military involvement in Laos."

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The US military presence in Thailand also continues to be featured prominently in Pathet Lao propaganda, and is also being played up by the North Vietnamese and the Viet Cong. Phoumi Vongvichit recently contended that the presence of US forces in Thailand "menaced" Laos and other neighboring countries and expressed hope that they would soon be withdrawn.

These developments clearly indicate that the Communists will do little to hold up their end of the accords, particularly in those areas that are of immediate concern to the US. Instead, they can be expected to keep stalling and "counterattacking" on vital issues. In time, it is possible that the Communists may assume a more responsible and even-handed approach. But for now, suspicion and a strong sense of antagonism will continue to mark their attitude toward Washington and Bangkok.

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